

Edinburgh 'Tourist Tax' Gains Overwhelming Support

The City of Edinburgh Council published figures today that reveal strong support for the introduction of a Transient Visitor Levy (TVL) in the Capital, with an overwhelming majority of respondents – and, significantly, the majority of accommodation providers – in favour of the city's proposals.

The Council received over 2,500 responses to its eight-week public consultation held at the end of 2018. The results reveal 85% expressed strong support for the introduction of TVL or 'tourist tax' in the city. This figure includes a majority of Edinburgh-based businesses and accommodation providers.

The consultation invited the public to feedback on the Council's draft proposals which suggest a charge of either 2% or £2 per room per night, chargeable all year round on all forms of accommodation, including short-term lets but capped at seven nights. It is estimated that this model could raise between £11.6m and £14.6m per year.

Reinforcing recent research by [Marketing Edinburgh](#) and the [Edinburgh Chamber of Commerce](#), which also demonstrated strong support for a TVL from local residents and business, the responses show that:

- 85% expressed strong support for the proposals including 51% of accommodation providers
- The majority of respondents (72%) agree that Edinburgh's TVL should be set at a rate of around £2 a night or 2% of the cost of accommodation, while 19% felt this was too low

- Most respondents (47%) prefer the option of a flat '£ per night, per room' rate but a high number (38%) would rather see a charge introduced which is based on the percentage of the room fee
- 81% of respondents want to see at least a seven-day cap on charges to help protect festival performers and other non-leisure visitors
- Respondents agreed with the Council objectives of supporting sustainable investment in tourism and managing the impact of tourism on the city and its residents.

A final proposal on how the Council hopes to take forward a TVL scheme will now be developed for elected member approval in February, before being passed to the Scottish Government as it considers its position on the legal framework for a TVL.

Commenting, Council Leader Adam McVey, said: "Once again, we are finding that there is a huge swell of support for a tourist tax in Edinburgh with residents and all types of business backing a scheme that is fair, sustainable and one which would be reinvested into the ongoing success of our tourism and hospitality industry and the services which matter most to local people.

"Edinburgh welcomes over four and a half million visitors annually, spending over £1.8bn. Our tourist economy is extremely strong and expected to continue to grow. A majority of businesses agree the vibrancy of our industry wouldn't be threatened by a small levy but would benefit from the additional investment. Interestingly, this includes more than half of accommodation providers, dispelling fears in certain quarters that the industry wouldn't support a TVL.

"As a Council, we have a strong track record of investing in and supporting our cultural offering and heritage – but as the demands on our city increase, we will need a secure additional source of funding to sustainably invest in and manage the

impact of this growth. 91% of Edinburgh residents back our plans because they know it will help us better manage the pressures in the City and help protect their environment. We stand with residents in our support for a tourist levy for the good of our Capital.”

Depute Council Leader Cammy Day said: “These results add yet more weight to the case for a TVL in Edinburgh and demonstrate how our plans not only have the support of residents, but the backing of accommodation providers and many others in the tourism industry as well.

“We’re determined to co-produce a scheme that works best for the whole city, including our local hospitality industry, in order to create a TVL proposal which is fair, simple and workable. As such, we have been engaging with key industry stakeholders over the past few months during what has been a robust and comprehensive process. These results will form another key part of the case which we’ll shortly be presenting to Scottish Ministers. It’s now time for a tourist tax for Edinburgh!”

COSLA President, Alison Evison, commented: “This is important news and certainly strengthens the case for the introduction of a local tax – to address local issues – in this case a transient visitor tax for Edinburgh. This is hard evidence from a consultation that shows an overwhelming appreciation of the potential benefits of a discretionary tax.

“At COSLA we work to strengthen local democracy and promote local decision making, and this is an excellent example of designing a model in partnership and consultation with the local area to address local needs and ensure sustainability. Edinburgh should be applauded.”

John Donnelly, Chief Executive of Marketing Edinburgh, added: “Combined with Marketing Edinburgh’s own independent research – which found that 88% of summer visitors would still come to

Edinburgh if a £2 per room, per night charge were in place and that 59% of residents are in favour – the results are conclusive. A transient visitor levy is a widely supported means of keeping the city at its best for residents, visitors and businesses alike.

“There is a real need to manage our success as a leading destination, and with Transient Visitor Levies used to great effect throughout the world, it’s encouraging that the public welcome the City of Edinburgh Council’s plans to help secure sustainable investment in Edinburgh’s growing tourism industry.”

Liz McAreavey, CEO of Edinburgh Chamber of Commerce, said: “We are pleased that further research into this issue has been undertaken, the results of which do point to a clear direction of travel. Consultation with our members found broad support for the principle of a levy, particularly if proceeds were dedicated to improving the city’s infrastructure. We hope that the Council’s final proposal will factor in the needs of the broad range of our vital local businesses.”